

Council/Agency Meeting Held: _____		_____ City Clerk's Signature
Deferred/Continued to: _____		
<input type="checkbox"/> Approved <input type="checkbox"/> Conditionally Approved <input type="checkbox"/> Denied		
Council Meeting Date:	November 15, 2004	Department ID Number: CS04-030

CITY OF HUNTINGTON BEACH REQUEST FOR COUNCIL ACTION

SUBMITTED TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS
SUBMITTED BY: *Penelope Culbreth Graft*
 PENELOPE CULBRETH-GRAFT, City Administrator
PREPARED BY: DAVID BIGGS, Director, Economic Development
 JIM B. ENGLE, Director, Community Services
SUBJECT: **APPROVE A PROMOTIONAL PROGRAM OF ONE-HOUR FREE
PARKING DOWNTOWN WITH MERCHANT COUPONS DURING
HOLIDAYS**

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 CITY CLERK
 CITY OF
 HUNTINGTON BEACH, CA

Statement of Issue, Funding Source, Recommended Action, Alternative Action(s), Analysis, Environmental Status, Attachment(s)
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Statement of Issue: Should a promotional program of one-hour free parking with merchant coupons in the Main Promenade Parking Structure be provided during the holidays to attract customers and promote shopping downtown?

Funding Source: Potential loss of up to \$8,000 in revenue to the General Fund.

Recommended Action: Implement free, one-hour parking with merchant coupons at the Main Promenade Parking Structure from December 13, 2004 through January 2, 2005.

Alternative Action(s): Do not implement the proposed complimentary coupon parking program downtown.

Analysis: Staff has worked with the Downtown Business Association (DBA) to attract customers and promote shopping downtown during the holidays. In the past, the city offered free parking at the downtown business zone meters. Last year, City Council decided not to offer the complimentary program due to budget constraints. The DBA and city have explored options to generate more people downtown, which would also generate more sales tax.

It was decided to recommend providing merchant coupons for free one-hour parking as a pilot program from December 13, 2004 to January 2, 2005. Merchants would distribute the coupons for one hour of free parking in the Main Promenade Parking Structure; one coupon per visit downtown. The merchant would still have the option of giving the customer a validation for another hour of parking; said validation costs the merchant 25 cents. Based on past use of the parking structure, staff estimates the cost of this coupon program for the twenty-one day program could be up to \$8,000. The projection for FY04/05 is \$1,056,000 for

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REQUEST FOR COUNCIL ACTION

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the parking structure. A total of \$1,074,369 was generated in FY03/04, which surpassed the projection for last year. Therefore, it is anticipated that, based on these projections, approving this promotion would not adversely impact budget projections for FY04/05. The utilization of coupons would allow the city to track the effectiveness of the program.

On October 22, 2004, the Economic Development Committee, which includes downtown merchants, reviewed the issue of promoting shopping downtown over the holiday. The DBA representatives reviewed the issues relative to the parking meters and discussed instead the potential of using merchant coupons at the Main Promenade Parking Structure.

Environmental Status: N/A

Attachment(s):

City Clerk's Page Number	No.	Description
—		None

RCA Author: JBE:cr

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